

Key messages¹

- **Poverty declined from 53.1% of the population in 2007 to 47.2% of the population in 2009**
- **Extreme poverty did not decline.** In 2007 it stood at 17.4% and in 2009 it stood at 17.5% of the population.
- **Not everyone experienced a reduction in poverty;** some population subgroups such as households with low educated heads and large families saw an increase in poverty.

Introduction

This note summarizes the initial findings of an ongoing study and dialogue by the World Bank on poverty in Tajikistan. It provides a recent update on poverty trends into 2009, following the 2007 Republic of Tajikistan Poverty Assessment. This note uses the 2009 Tajikistan Livings Standards Survey (TLSS), a nationally representative survey of 1503 households, all of whom were also interviewed as part of the 2007 TLSS.

Poverty Declined from 2007 to 2009

Poverty continues to decline in Tajikistan². The proportion of the population below the poverty line reduced from 53.1% in 2007 to 47.2% in 2009. This marks a continued decline in poverty. In 2003, for example, as many as 72.4% of people lived below the poverty line. Altogether, 1 in 3 people who were poor in 2003 was no longer poor in 2009. The poverty reduction since 2007 follows strong GDP growth of 7.8% in 2007,

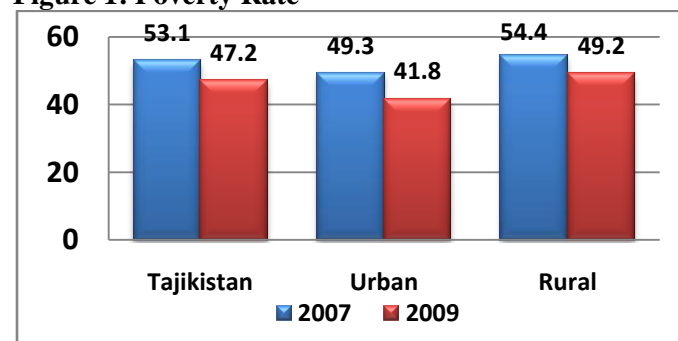
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² Poverty status is defined in terms of per capita consumption. Poverty lines were constructed using the cost-of-basic-needs approach whereby the poverty line depends on the cost of buying a diet of 2,250 calories per capita per day and an allowance for non-food consumption. The nominal poverty line is set up at 4.56 Somoni a day per capita (2007 prices), of which 64% is food-consumption and 36% is non-food consumption. For more explanation, see the *Basic Information Document* of the 2007 TLSS (available on <http://econ.worldbank.org/>). After adjusting for different price levels across the country, the poverty line corresponds to a per capita monthly expenditure of 138.7 Somoni per month in 2007 and 162.1 Somoni per month in 2009. Similarly, an extreme poverty line is defined at 88.8 Somoni per month in 2007 and 103.8 Somoni per month in 2009. This poverty line corresponds to the amount of money necessary to purchase the abovementioned basic diet (i.e. 64% of the poverty line).

7.9% in 2008, and 3.4% in 2009, a reduction in growth that follows the global economic crisis (IMF, 2009).

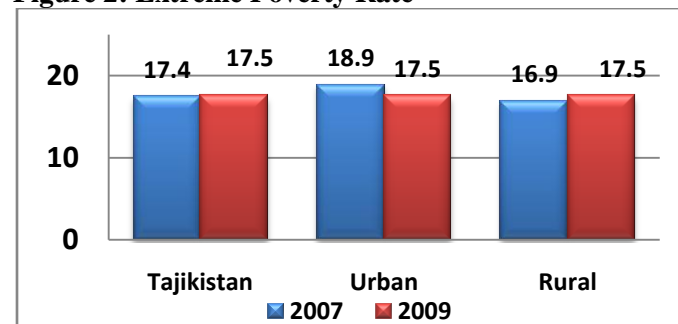
Figure 1: Poverty Rate



In 2009, urban poverty continued to be lower than rural poverty. As shown in Figure 1, in 2009, 41.8% of people in the urban areas of Tajikistan lived below the poverty level compared with 49.2% in the rural areas. The decline in rural poverty from 2007 to 2009 was slower than the decline in urban poverty – 3.9 percentage points compared with 2.9 percentage points per year in the urban areas.

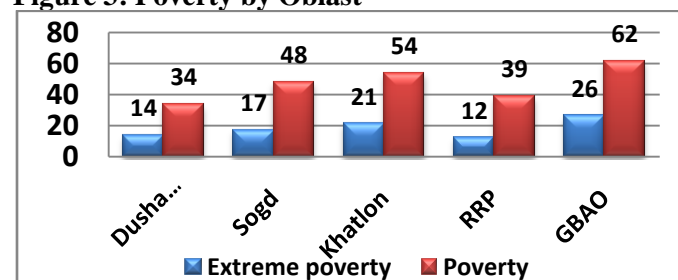
But extreme poverty remained nearly unchanged at 17.5% of the population in both urban and rural Tajikistan (Figure 2). Extreme poverty reflects those who cannot afford to purchase a food basket satisfying basic dietary needs.

Figure 2: Extreme Poverty Rate



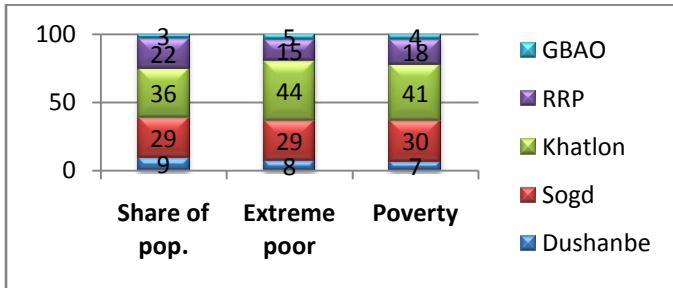
GBAO and Khatlon were the poorest oblasts in 2009. 62% of people in GBAO and 54% in Khatlon lived below the poverty line, compared with 48% in Sogd, 39% in RRP, and 34% in Dushanbe. Extreme poverty levels were similarly distributed across oblasts.

Figure 3: Poverty by Oblast



The oblast with the most extreme poor and poor people in Tajikistan in 2009 was Khatlon followed by Sogd oblast (Figure 4). Although 36% of all people in Tajikistan lived in Khatlon, it contained a higher percentage of the extreme poor, 44%, and poor, 41%, in Tajikistan.

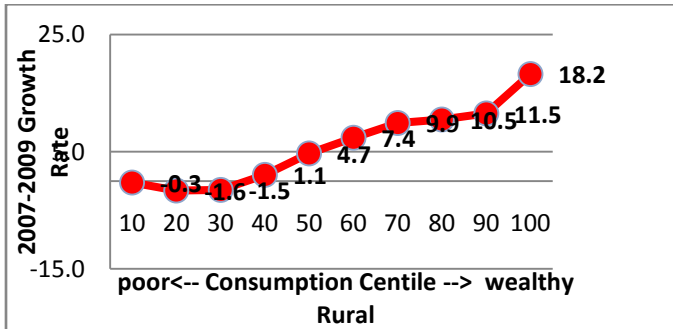
Figure 4: Distribution of Poor in Tajikistan



Welfare Did Not Increase for All

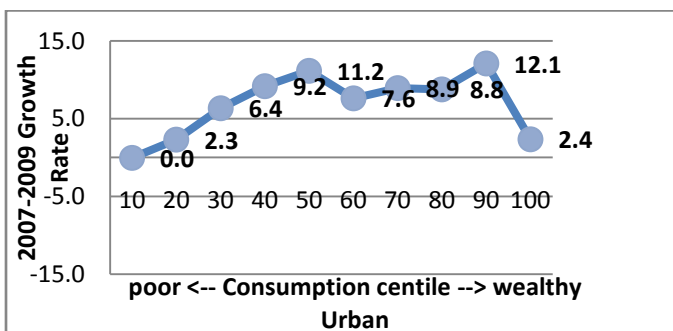
Rural growth was not even. Between 2007 and 2009 there was no welfare increase for the poorest 40%. Welfare, as measured by a basket of consumption, increased gradually from 1% growth from the middle to 18% growth for the richest rural people (Figure 5).

Figure 5: Rural consumption growth 2007-2009



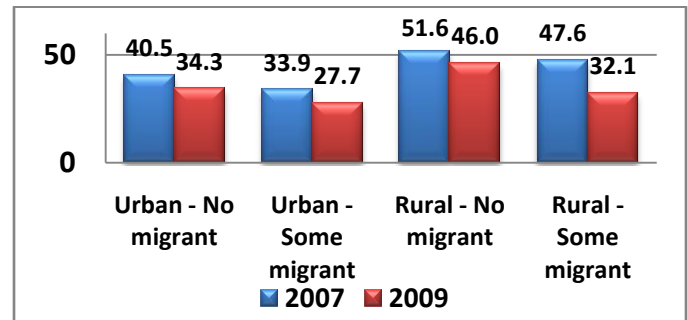
Urban growth was more broad-based, but did not benefit the very poorest (Figure 6). The poorest 10% did not experience any growth in consumption, while the somewhat better off people witnessed increasing growth, up to 12%. Surprisingly, the wealthiest 10% experienced much smaller growth, which may reflect the impact of the global economic crisis.

Figure 6: Urban consumption growth 2007-2009



Rural families with a migrant experienced a large decrease in poverty (Figure 7).

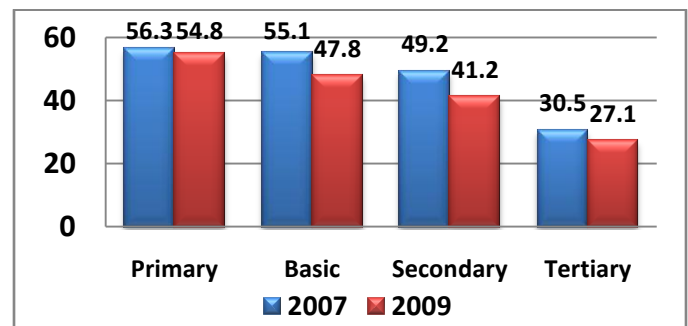
Figure 7: Poverty by household migration status



Finally, some subgroups benefited little or saw a decrease in welfare.

First, low educated families were the least likely to benefit from the economic growth. (Figure 8)

Figure 8: Poverty by education status.



Second, families with large numbers of children experienced an increase in poverty (Figure 9).

Figure 9: Poverty by number of children

